

PERFORMANCE MEASUREMENTS

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Performance Measurements

This Appendix 16: Performance Measurements sets forth the terms and conditions under which SBC Missouri will report performance to MCI and compare that performance to SBC Missouri's own performance or benchmark criteria, whichever is applicable. Enforcement measures through liquidated damages for failure to meet certain performance measures, set forth in this Appendix, are agreed upon in the Performance Remedy Plan included in a separate agreement of the Parties (Performance Remedy Plan Agreement).

1. PERFORMANCE DATA

- 1.1 SBC Missouri agrees to provide MCI a monthly report of performance for the performance measures listed in Appendix Performance Measurements Business Rules. SBC Missouri will collect, analyze, and report performance data for these measures in accordance with SBC Missouri's Performance Measurement Business Rules, as approved by the Missouri Public Service Commission (the "Commission" or "PSC"). Both the performance measures and the business rules are subject to modification in accordance with Section 3.0.

2. COMPLIANCE

- 2.1 For purposes of this Appendix, performance results (whether in the form of means, percentages, or rates) will be measured in a single month for the same measurement at equivalent levels of disaggregation, for both SBC Missouri (or its affiliate purchasing the same service from SBC under an ICA) and MCI. Compliance will be determined separately for each MCI and disaggregation level, based on statistical tests or by direct comparison with an established standard (benchmark), as defined in the Performance Remedy Plan Agreement.

3. EVALUATION

- 3.1 A workshop and/or conference shall be organized and held annually for the purpose of evaluating the existing performance measures and determining whether any measures should be deleted, modified or any new measures added. Provided however, no new measures shall be added which measures activities already governed by existing measures. MCI may actively participate in this annual workshop with SBC Missouri, other MCI's, and Commission representatives.
- 3.2 As provided in the Performance Remedy Plan Agreement, no changes to remedies/liquidated damages (remedies) or any other term or condition of this Appendix affecting remedies, including but not limited to the level of remedies to be paid by SBC Missouri and the application of a benchmark, shall be made except by the consent of the Parties only and shall not be effective until and memorialized in an amendment to the Performance Remedy Plan Agreement. Except as otherwise provided in the Performance Remedy Plan Agreement, neither Party shall have a right to seek Missouri Public Service Commission jurisdiction or intervention to address any issues affecting remedies. Any dispute concerning remedies or modification to the current remedy plan shall be resolved pursuant to the dispute resolution provisions of that separate agreement.
- 3.3 MCI and SBC Missouri will consult with one another and attempt in good faith to resolve any issues regarding the accuracy or integrity of data collected, generated, and reported pursuant to this Appendix. In the event that MCI requests such consultation and the issues raised by MCI have not been resolved within 45 days after MCI's request for consultation, then SBC Missouri will allow MCI to have an independent audit conducted, at MCI's expense, of SBC Missouri's performance measurement data collection, computing, and reporting processes. In the event the

subsequent audit reinforces the problem identified during the 45 day consultation period or if any new problem is identified, SBC Missouri shall reimburse the MCIIm any expense incurred for such audit. MCIIm may not request more than one audit per twelve calendar months under this section.

4. GENERAL ASSESSMENTS PAYABLE TO THE MISSOURI STATE TREASURY

- 4.1 If SBC Missouri fails to submit performance reports by the last business day of the month, the following assessments apply unless excused for good cause by the Commission:

If no reports are filed, \$5,000 per day past the last business day of the month;
If incomplete reports are filed, \$1,000 per day for each measurement affected by missing performance results, subject to a maximum of \$5,000.
- 4.2 If SBC Missouri alters previously reported data to a MCIIm, and after discussions with SBC Missouri the MCIIm disputes such alterations, then the MCIIm can request that the Commission review the submissions and the Commission may take appropriate action. This does not apply to the limitation stated under the section entitled "Exclusions Limited."
- 4.3 Assessments under this section will not be included in determining the applicability of the cap in the Performance Remedy Plan.

5. REPORTS

- 5.1 MCIIm will have access to monthly reports on aggregate MCIIm liquidated damages paid (credits issued), performance measures and business rules through an Internet website. The website will include individual MCIIm data, aggregate MCIIm data, and SBC Missouri' state aggregate data.
- 5.2 In the event SBC Missouri misses any measurement for two consecutive months, for each succeeding violation of that measurement, upon request from a MCIIm, SBC Missouri shall conduct a joint investigation with the requesting MCIIm to identify and resolve the problem in a cooperative manner. Such corrective action may include additional training, allocation of additional resources, or modification of SBC Missouri processes, to the extent appropriate.
- 5.3 SBC Missouri will not levy a separate charge for provision of the data to MCIIm called for under this Appendix. SBC Missouri will make raw data available to MCIIm via the CRDWS - MCIIm Raw Data Web Site. Raw data for the current period will be posted in detail files for downloading by the last business day of each month. These files will be available for download for 60 days from the date of posting, after which the earliest monthly file will be replaced with the raw data file for the current month. Notwithstanding any other provisions of this Agreement, the Parties agree that such records will be deemed Proprietary Information.

6. BUSINESS RULES

- 6.1 Attached hereto, and incorporated herein by reference, are the following Appendices:

Attachment XVIa: Performance Measurement Business Rules (Version 4.0)